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PHILIPPINES

ENERGY AND ENVIRONMENT

STRATEGIC OBJECTIVE: MANAGEMENT OF PRODUCTIVE, LIFE-SUSTAINING NATURAL RESOURCES STRENGTHENED

BACKGROUND

USAID assists the Philippines to address four key challenges in the energy and environment sectors: competitiveness, corruption, conflict and conservation. An inefficient energy sector, severe environmental degradation and heavily polluted air and water, among other factors, undermine the competitiveness of the Philippine economy and quality of life of the Filipino people. Poor governance and corruption are major factors to the problem and resultant conflict further marginalizes the populations most dependent on natural resources for their livelihoods. USAID's strategic approach to these challenges seeks to achieve results in three areas:

- Energy Sector Performance
- Environmental Governance
- Urban Environmental Management

Focus on Mindanao Mindanao's extraordinary natural resource base could make a significant contribution to national food and fiber needs were it not for the continuing violent conflict and failures of governance hindering sustainable development. Lack of basic amenities — including electricity— in remote areas further constrains development of this important region. USAID addresses these challenges in Mindanao by improving environmental governance of forest, fisheries and coastal resources and solid waste and the introduction of renewable energy.

Visit our website:

<http://philippines.usaid.gov>
keyword: **energy, environment**

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Energy Sector Performance: The Philippines' heavy reliance on foreign sources of energy in the power and transport sectors raises energy costs and results in an unfavorable investment climate compared to other countries in the region. The traditional source of fuel for transport also contributes to worsening air quality in the major urban centers of the country. In response, USAID supports the efforts of the Philippine Department of Energy (PDOE) to pursue energy independence, rural electrification and implementation of power sector reforms. USAID-supported activities include energy policy formulation and promotion of indigenous and clean fuels through the development of the country's extensive natural gas reserves as well as wind, solar, hydro and other renewable energy sources. Through a private-public alliance, USAID is providing renewable energy-powered electricity to thousands of households in remote, conflict-affected areas in Mindanao. USAID also provides technical assistance to the Energy Regulatory Commission and the DOE to implement reforms to encourage investments and protect consumers.



Environmental Governance: Illegal and destructive fishing practices in this global biodiversity "hotspot" threaten food security and the productivity of the natural resource base. Illegal logging and conversion of forests to farmland threaten livelihoods, lives and biodiversity, and make the Philippines the country in Southeast Asia with the highest rate of deforestation. In response, and in partnership with the Department of Environment and Natural Resources and the Department of Agriculture, USAID assists local governments and communities to eliminate open access to and improve governance of natural resources through greater transparency, accountability, and stakeholder participation.



Urban Environmental Management: Increasingly crowded urban centers face serious environmental hazards. Manila's air is among the most polluted in the world, surpassed only by Mexico City, Shanghai and New Delhi. Nearly half of Manila's 13 million residents are without clean, safe drinking water. Ground water sources are increasingly contaminated. Forty percent of solid waste remains uncollected, and most of the rest is poorly managed. Together, these problems pose serious health and economic costs. In response, USAID works with a range of stakeholders to improve urban environmental management, implement activities to reduce vehicle emissions; increase private investment in water supply and sanitation; and promote integrated solid waste management.

